

Service Date: February 24, 1992

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

* * * * *

IN THE MATTER of the Application)	UTILITY DIVISION
of Mountain Water Company for)	
Authority to Increase Rates and)	DOCKET NO. 89.6.23
Charges for Water Services to its)	
Missoula, Montana Customers.)	ORDER NO. 5449d

FINAL ORDER

BACKGROUND

On August 14, 1991 the Public Service Commission (Commission) issued Order No. 5449c in this Docket. In Order No. 5449c the Commission granted a joint motion of the Mountain Water Company (MWC) and the Montana Consumer Counsel (MCC) to authorize MWC to accrue interest from June 5, 1991 on \$165,108 at 11.769 percent (MWC's weighted cost of capital established in this Docket) "... until such time as those costs and interest are reflected in MWC's rates by Commission order." The \$165,108 are costs incurred by MWC in complying with § 69-4-511, MCA; the Commission was directed by the State District Court, Lewis and Clark County, to reflect those costs in rates.

In their joint motion MWC and MCC stipulated that MWC intended to file an application for a general rate increase in the fall of 1991. MWC did not make such a filing. On January 24, 1992 MWC filed a motion with the Commission asking for an or-

der "providing that the Commission's previous Order 5449c is not affected by the Company's inability to file a general rate case in 1991" and that MWC may continue to accrue interest as provided in Order No. 5449c. The MCC has represented that it has no objection to this motion.

DISCUSSION

The Commission notes that its Order No. 5449c was not contingent on a MWC filing in the fall of 1991, though it was anticipated that MWC would file during that period. The Commission reiterates that interest on the \$165,108 will continue to accrue, "until such time as those costs and interest are reflected in MWC's rates by Commission order."

CONCLUSIONS OF LAW

Mountain Water Company is a public utility as defined in Section 69-3-101, MCA. The Montana Public Service Commission properly exercises jurisdiction over MWC's rates and services pursuant to Section 69-3-102, MCA.

The Order rendered below does not affect the right of the Montana Consumer Counsel or the Commission to appeal the Order of the District Court described above.

ORDER

Mountain Water Company's motion of January 24, 1992 is granted. The failure of Mountain Water Company to file a rate case during the fall of 1991 does not affect Commission Order No. 5449c.

Done and Dated this 18th day of February, 1992 by a vote of 5 - 0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

HOWARD L. ELLIS, Chairman

DANNY OBERG, Vice Chairman

BOB ANDERSON, Commissioner

JOHN B. DRISCOLL, Commissioner

WALLACE W. "WALLY" MERCER, Commissioner

ATTEST:

Ann Peck
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See ARM 38.2.4806.